

Electric Fund

The Electric Fund is established to account for provisions of electric service to the residents and business of Gardner. Electric Fund operations are financed and operated in the manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, management control, accountability, or other purposes.

City of Gardner 2008 Annual Budget

Division: Electric
Department: Public Works 441
Fund: Electric 501

Fund Description:

The Electric Division is comprised of three programs that include Electric Administration, Generation, and Distribution.

<u>Program Funding</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Electric Administration	\$ 514,525	545,300	536,200
Generation	\$6,523,591	7,010,800	7,636,500
Distribution	<u>\$2,070,370</u>	<u>1,797,900</u>	<u>1,968,800</u>
Total	\$9,108,486	9,354,000	10,141,500

<u>Division Staffing by Program (FTE)</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Electric Administration	2.0	2.3	2.3
Electric Generation	4.0	3.0	3.0
Electric Distribution	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>
Total	14.0	13.3	13.3

**City of Gardner
Electric Fund**

	2006 <u>Actual</u>	2007 <u>Budget</u>	2007 <u>Estimate</u>	2008 <u>Budget</u>
Funds Available Jan 1	4,152,119	2,676,019	2,500,488	1,677,088
Charges for Services:				
Operations:				
Electric Retail Sales	9,253,028	10,674,000	10,473,000	11,206,000
Government Sales - Sewer Fund	207,804	264,000	250,000	262,500
Government Sales - Water Fund	0	0	16,000	16,800
Government Sales - General Fund	0	317,800	317,800	333,700
Penalties	337,291	300,000	300,000	321,000
Reconnection Fee	54,190	55,000	55,000	59,000
Development:				
Meter Install/Line Extension	507,723	1,000,000	615,000	708,800
Street Lights	52,650	75,000	55,000	58,000
Temporary Service Fee	<u>14,150</u>	<u>25,000</u>	<u>15,000</u>	<u>15,000</u>
Charges for Services Total	10,426,836	12,710,800	12,096,800	12,980,800
Use of Money:				
Interest on Investments	<u>126,085</u>	<u>72,000</u>	<u>84,000</u>	<u>56,000</u>
Use of Money Total	126,085	72,000	84,000	56,000
Miscellaneous:				
Reimbursed Expenses	0	1,000	1,000	1,000
Developer Reimbursements	412,753	0	250,000	0
Miscellaneous	<u>50,811</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Miscellaneous Total	463,564	11,000	261,000	11,000
Revenue Total	11,016,485	12,793,800	12,441,800	13,047,800
Expenditures:				
Operations:				
Administration	514,525	529,000	545,300	536,200
Generation	6,523,591	7,636,500	7,010,800	7,636,500
Distribution	<u>2,070,370</u>	<u>1,928,900</u>	<u>1,797,900</u>	<u>1,968,800</u>
Operations Total	9,108,486	10,094,400	9,354,000	10,141,500
Capital Improvement:				
Distribution:				
Maintenance:				
Overhead line rehabilitation	118,946	80,000	80,000	0
Development:				
E. Interchange upgrade (walmart)	50,230	0	0	0
KCPL Buyout	0	0	10,000	0
R-51 Circuit from Sub 3 (s to 175)	74,600	0	99,000	0
S. Waverly Extension	0	425,000	0	0
Brown Circuit 167th - R-53	274,066	0	0	0

Waverly Pointe	70,076	0	0	0
Other projects	13,407	0	0	0
Generation:				
Maintenance:				
Power/Station Elect. Upgrade	0	30,000	0	30,000
Substation security	0	0	0	40,000
Gas Metering	0	0	30,000	0
Development:				
SCADA System	<u>25,321</u>	<u>0</u>	<u>63,000</u>	<u>0</u>
Capital Improvement Total	626,646	535,000	282,000	70,000
Debt Service:				
Maintenance:				
Bond and Interest				
1998 -B Refunding sub station	131,270	134,100	134,100	133,300
1999 -A, Electric System Imp. Sub 2	207,295	206,400	206,400	205,300
2001 A - Electric Plant refund orig 89	1,496,250	1,494,500	1,494,500	1,462,800
2004 - Generator 2 (\$1.7)	198,578	195,000	195,000	196,000
Development:				
2002A - City Hall Bond (xfer)	15,591	16,400	16,400	17,500
2006A-West Electric substation (\$7.4)	<u>0</u>	<u>857,800</u>	<u>857,800</u>	<u>888,100</u>
Bond & Interest Total	2,048,984	2,904,200	2,904,200	2,903,000
Transfers:				
General Fund Franchise	884,000	747,000	674,000	560,000
General Fund Services	<u>0</u>	<u>51,000</u>	<u>51,000</u>	<u>54,100</u>
Transfers Total	884,000	798,000	725,000	614,100
Debt Service/Transfers Total	2,932,984	3,702,200	3,629,200	3,517,100
Expenditures Total	12,668,116	14,331,600	13,265,200	13,728,600
Surplus/(Shortfall)	(1,651,631)	(1,537,800)	(823,400)	(680,800)
Funds Available Dec 31	2,500,488	1,138,219	1,677,088	996,288

Program: All
Department: Public Works 441
Fund: Electric 501

			<u>FY 06</u>	<u>FY 07</u>	<u>FY 07</u>	<u>FY 08</u>
		Classification	Actual	Budget	Estimate	Budget
		Personal Services				
11	01	Full-Time	600,702	665,700	658,600	669,400
11	02	Overtime	59,376	71,800	50,600	62,200
21	01	Health & Dental Insurance	66,287	84,700	71,500	74,300
21	02	Life Insurance	667	800	800	800
22	01	Social Security	47,605	56,500	53,700	56,000
22	03	Unemployment Compensation	1,427	900	900	900
23	01	KPERS Retirement	28,916	39,100	35,700	44,200
23	05	Deferred Compensation	<u>22,908</u>	<u>26,900</u>	<u>25,100</u>	<u>27,000</u>
			827,888	946,400	896,900	934,800
		Contractual Services				
31	10	Engineering/Architectural	11,242	15,000	15,000	15,000
31	15	Outsourced Services	463,399	339,400	291,800	229,200
40	01	Water/Sewer	77	0	100	100
40	03	Telephone	17,953	18,700	17,600	17,000
40	06	Utility Locates	40,097	54,200	42,000	46,000
41	01	Wholesale Electric Purchases	5,636,292	6,613,000	6,402,000	7,000,000
41	50	Gas Purchases	478,781	637,500	247,000	250,000
41	51	Diesel (Generation)	0	27,500	0	0
43	01	R&M Buildings	3,102	2,600	2,600	2,000
43	02	R&M Equipment	115,900	89,500	102,400	102,500
43	05	R&M Vehicle	11,813	3,500	6,000	3,500
44	02	Equip./Vehicle Rentals	6,109	8,200	7,700	6,500
46	01	Meetings/Training/Travel	24,246	25,600	22,200	24,600
46	02	Dues/Subscriptions	14,711	11,000	12,900	12,900
47	02	Printing	357	500	500	500
48	02	State Compensating Use Tax	<u>35,044</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
			6,859,123	7,876,200	7,199,800	7,739,800
		Commodities				
52	01	Building/Grounds	3,092	0	0	0
52	02	Small Tools	10,620	6,700	5,000	5,000
52	04	Vehicle Supplies	4,035	3,400	2,400	3,400
52	09	Fuel and Fluids	21,392	21,300	21,000	21,100
52	10	Traffic Control Supplies	19,678	0	0	0
52	12	Utility System Supplies	6,112	22,500	17,500	14,000
52	13	Chemicals	224	3,000	2,000	3,000
52	20	Operating Supplies	12,909	11,900	9,100	8,100
52	25	Street Lighting Sup.-Exist. Sys.	5,057	0	0	0
52	26	Street Lighting Sup.-New Dev.	29,869	0	50,000	56,000
52	31	Meters & Supplies-New Dev.	706,719	739,000	700,900	745,000
52	32	Meters & Supplies-Existing	27,067	40,000	26,000	27,500
53	02	Clothing & Uniforms	<u>4,145</u>	<u>5,000</u>	<u>7,000</u>	<u>5,500</u>
			850,919	852,800	840,900	888,600
		Capital Outlay				

This page intentionally left blank

Program: All
Department: Public Works 441
Fund: Electric 501

Continued

61	03	Building Improvement	0	5,000	5,000	0
61	04	Equipment	58,185	25,000	9,500	100,000
61	06	Computer	0	0	7,000	3,000
61	09	Vehicles	<u>167,948</u>	<u>0</u>	<u>0</u>	<u>25,000</u>
			226,133	30,000	21,500	128,000
		Internal Services				
91		Building Services	17,622	35,800	34,700	62,200
91		IT Services	20,082	36,900	35,400	38,300
91		Risk Services	132,493	121,600	127,700	138,800
91		Utility Billing	<u>174,226</u>	<u>194,700</u>	<u>197,100</u>	<u>211,000</u>
			344,423	389,000	394,900	450,300
		Total Expenditures	9,108,486	10,094,400	9,354,000	10,141,500

City of Gardner 2008 Annual Budget

Program: Electric Administration 4110
Department: Public Works 441

Program Description:

Directs the development, operation and maintenance of the City's electric utility. It also coordinates the extension of service to new development.

Citizen Survey Satisfaction:

	<u>2001</u>	<u>2003</u>	<u>2005</u>
Overall reliability of electrical service	92%	93%	89%
Adequacy of street lighting	89%	92%	89%

Program Measurements:

	<u>2006</u>	<u>2007</u>	<u>2008</u>
NA			

Program Highlights

Update and revise the Electric Master Plan (\$20,000).

Program Staffing (FTE)

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Electric Division Manager	1.0	1.0	1.0
Electric Engineering Technician	1.0	1.0	1.0
Administrative Assistant	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Total	2.3	2.3	2.3

Program: Electric Administration 4110
Department: Public Works 441
Fund: Electric 501

			<u>FY 06</u>	<u>FY 07</u>	<u>FY 07</u>	<u>FY 08</u>
		Classification	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
		Personal Services				
11	01	Full-Time	156,633	161,500	160,700	147,900
11	02	Overtime	5,616	5,400	3,100	4,500
21	01	Health & Dental Insurance	11,878	20,000	12,700	13,900
21	02	Life Insurance	150	200	200	200
22	01	Social Security	11,285	12,800	12,100	11,700
22	03	Unemployment Compensation	338	200	200	200
23	01	KPERS Retirement	5,959	8,900	9,300	9,100
23	05	Deferred Compensation	<u>6,159</u>	<u>6,700</u>	<u>6,500</u>	<u>6,100</u>
			198,018	215,700	204,800	193,600
		Contractual Services				
31	15	Outsourced Services	85,145	41,500	66,500	46,500
40	03	Telephone	12,447	12,000	12,000	11,400
43	05	R&M Vehicle	225	500	500	500
46	01	Meetings/Training/Travel	4,968	8,000	5,800	8,000
46	02	Dues/Subscriptions	10,844	10,000	12,000	12,000
47	02	Printing	<u>25</u>	<u>100</u>	<u>100</u>	<u>100</u>
			113,654	72,100	96,900	78,500
		Commodities				
52	09	Fuel and Fluids	340	800	500	600
52	20	Operating Supplies	3,650	1,400	3,000	3,000
53	02	Clothing/Uniforms	<u>396</u>	<u>0</u>	<u>0</u>	<u>500</u>
			4,386	2,200	3,500	4,100
		Capital Outlay				
61	04	Equipment	2,999	10,000	2,000	0
61	06	Computer	0	0	7,000	3,000
			2,999	10,000	9,000	3,000
		Internal Services				
91		Building Services	3,202	14,500	14,100	19,200
91		IT Services	6,168	9,800	9,400	13,800
91		Risk Services	11,872	10,000	10,500	13,000
91		Utility Billing	<u>174,226</u>	<u>194,700</u>	<u>197,100</u>	<u>211,000</u>
			195,468	229,000	231,100	257,000
		Total Expenditures	514,525	529,000	545,300	536,200

City of Gardner 2008 Annual Budget

Program: Generation 4120
Department: Public Works 441
Fund: Electric 501

Program Description:

Provides electric power for Gardner residents and businesses. Wholesale electricity is purchased from several sources and resold to residential, commercial and industrial customers. The City operates two gas turbine electrical generators as part of an agreement to serve as reserve generation capacity.

Program Measurements

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Mega watts purchased	105,995	125,000	131,000
Mega watts produced	2,440	1,000	1,000
Cost per Mega Watt	61.55	56.18	58.18
Capacity	42	42	42

Program Highlights

Technician position has been left unfilled.

Purchase of an electric radio repeater for better frequency at the substation (\$15,000).

Program Staffing (FTE)

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Plant/Substation Operator	2.0	2.0	2.0
Plant/Substation Technician	<u>2.0</u>	<u>1.0</u>	<u>1.0</u>
Total	4.0	3.0	3.0

Program: Generation 4120
Department: Public Works 441
Fund: Electric 501

			<u>FY 06</u>	<u>FY 07</u>	<u>FY 07</u>	<u>FY 08</u>
		Classification	Actual	Budget	Estimate	Budget
		Personal Services				
11	01	Full-Time	99,709	103,700	101,900	107,800
11	02	Overtime	25,639	21,800	17,500	22,700
21	01	Health & Dental Insurance	11,903	13,900	13,900	13,900
21	02	Life Insurance	112	100	100	100
22	01	Social Security	9,252	9,600	9,000	10,000
22	03	Unemployment Compensation	278	200	200	200
23	01	KPERS Retirement	5,916	6,600	6,300	7,800
23	05	Deferred Compensation	<u>2,116</u>	<u>2,400</u>	<u>2,000</u>	<u>2,500</u>
			154,925	158,300	150,900	165,000
		Contractual Services				
31	15	Outsourced Services	15,837	13,000	14,800	8,800
40	01	Water/Sewer	77	0	100	100
40	03	Telephone	2,579	2,500	2,500	2,500
41	01	Wholesale Electric Purchases	5,636,292	6,613,000	6,402,000	7,000,000
41	50	Gas Purchases	478,781	637,500	247,000	250,000
43	02	R&M Equipment	106,591	74,500	89,000	95,000
44	02	Equip./Vehicle Rentals	1,255	1,700	1,700	1,700
46	01	Meetings/Training/Travel	6,276	6,300	4,400	5,300
46	02	Dues/Subscriptions	<u>3,653</u>	<u>500</u>	<u>500</u>	<u>500</u>
			6,251,341	7,376,500	6,762,000	7,363,900
		Commodities				
52	02	Small Tools	1,842	3,000	3,000	3,000
52	04	Vehicle Supplies	22	400	400	400
52	09	Fuel and Fluids	2,209	2,000	2,000	2,000
52	12	Utility System Supplies	6,112	22,500	17,500	14,000
52	13	Chemicals	224	3,000	2,000	3,000
52	20	Operating Supplies	4,835	4,300	3,100	3,000
53	02	Clothing & Uniforms	<u>371</u>	<u>1,500</u>	<u>3,500</u>	<u>1,500</u>
			15,615	36,700	31,500	26,900
		Capital Outlay				
61	03	Building Improvement	0	5,000	5,000	0
61	04	Equipment	<u>50,184</u>	<u>0</u>	<u>0</u>	<u>15,000</u>
			50,184	5,000	5,000	15,000
		Internal Services				
91		Building Services	3,202	5,800	5,600	11,700
91		IT Services	4,653	11,800	11,300	7,700
91		Risk Services	<u>43,671</u>	<u>42,400</u>	<u>44,500</u>	<u>46,300</u>
			51,526	60,000	61,400	65,700
		Total Expenditures	6,523,591	7,636,500	7,010,800	7,636,500

City of Gardner 2008 Annual Budget

Program: Distribution 4130
Department: Public Works 441
Fund: Electric 501

Program Description:

Installs and maintains all facets of the electrical distribution system between the City's substation and the customer's service meter. This division also installs streetlights and traffic signals.

Program Measurements:

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Total power outage hours	16	10	10
Miles of overhead lines	45	46	47
Miles of underground lines	50	53	56
Number of transformers	679	720	760

Program Highlights

Maintenance of street lights and traffic signals moved to street program in 2007.
Distribution provides contractual repair service to the Streets Division of Public Works for street lights and traffic signals.
Planned replacement of a backhoe with a backhoe/excavator (\$75,000).
Planned replacement of a pickup truck (\$25,000)

Program Staffing (FTE)

	<u>2006</u>	<u>2007</u>	<u>2008</u>
Electric Distribution Supervisor	1.0	1.0	1.0
Lead Lineman	1.0	1.0	1.0
Lineman	4.0	4.0	4.0
Electric Service Technician	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total	8.0	8.0	8.0

Program: Distribution 4130
Department: Public Works 441
Fund: Electric 501

			FY 06	FY 07	FY 07	FY 08
		Classification	Actual	Budget	Estimate	Budget
		Personal Services				
11	01	Full-Time	344,360	400,500	396,000	413,700
11	02	Overtime	28,121	44,600	30,000	35,000
21	01	Health & Dental Insurance	42,506	50,800	44,900	46,500
21	02	Life Insurance	405	500	500	500
22	01	Social Security	27,068	34,100	32,600	34,300
22	03	Unemployment Compensation	811	500	500	500
23	01	KPERS Retirement	17,041	23,600	20,100	27,300
23	05	Deferred Compensation	<u>14,633</u>	<u>17,800</u>	<u>16,600</u>	<u>18,400</u>
			474,945	572,400	541,200	576,200
		Contractual Services				
31	10	Engineering	11,242	15,000	15,000	15,000
31	15	Outsourced Services	362,417	284,900	210,500	173,900
40	03	Telephone	2,927	4,200	3,100	3,100
40	06	Utility Locates	40,097	54,200	42,000	46,000
43	01	R&M Building	3,102	2,600	2,600	2,000
43	02	R&M Equipment	9,309	15,000	13,400	7,500
43	05	R&M Vehicle	11,588	3,000	5,500	3,000
44	02	Equip./Vehicle Rentals	4,854	6,500	6,000	4,800
46	01	Meetings/Training/Travel	13,002	11,300	12,000	11,300
46	02	Dues/Subscriptions	214	500	400	400
47	02	Printing	332	400	400	400
48	02	State Compensating Use Tax	<u>35,044</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
			494,128	427,600	340,900	297,400
		Commodities				
52	01	Building/Grounds	3,092	0	0	0
52	02	Small Tools	8,778	3,700	2,000	2,000
52	04	Vehicle Supplies	4,013	3,000	2,000	3,000
52	09	Fuel and Fluids	18,843	18,500	18,500	18,500
52	10	Traffic Control - Existing	19,678	0	0	0
52	20	Operating Supplies	4,424	6,200	3,000	2,100
52	25	Street Lighting Supplies-Existing System	5,057	0	0	0
52	26	Street Lighting Supplies-New				
52	26	Devlpmt	29,869	0	50,000	56,000
52	31	Meters & Materials - New	706,719	739,000	700,900	745,000
52	32	Meters & Materials -Existing	27,067	40,000	26,000	27,500
53	02	Clothing & Uniforms	<u>3,378</u>	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>
			830,918	813,900	805,900	857,600

This page intentionally left blank

Program: Distribution 4130
Department: Public Works 441
Fund: Electric 501

Continued

		Capital Outlay				
61	04	Equipment	5,002	15,000	7,500	85,000
61	09	Vehicles	<u>167,948</u>	<u>0</u>	<u>0</u>	<u>25,000</u>
			172,950	15,000	7,500	110,000
		Internal Services				
91		Building Services	11,218	15,500	15,000	31,300
91		IT Services	9,261	15,300	14,700	16,800
91		Risk Services	<u>76,950</u>	<u>69,200</u>	<u>72,700</u>	<u>79,500</u>
			97,429	100,000	102,400	127,600
Total Expenditures			2,070,370	1,928,900	1,797,900	1,968,800

City of Gardner 2008 Annual Budget

Program: Capital Projects
Department: Public Works 441
Fund: Electric 501

Program Description:

Funds major projects for the maintenance, replacement, and repair of the electric system including generation, substations, and distribution.

Program Highlights

Transfer to General Fund is at 5% of revenue for 2008.

Program: Capital Outlay
Department: Public Works 441
Fund: Electric 501

Classification	<u>FY 06</u> <u>Actual</u>	<u>FY 07</u> <u>Budget</u>	<u>FY 07</u> <u>Estimate</u>	<u>FY 08</u> <u>Budget</u>
Capital Improvement				
Generation & Substations:				
Gas Metering	0	0	30,000	0
Station Electric Upgrades	0	30,000	0	30,000
SCADA System	25,321	0	63,000	0
Substation Security	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,000</u>
Generation Total	25,321	30,000	93,000	70,000
Transmission & Distribution:				
Overhead line rehabilitation	118,946	80,000	80,000	0
E. Interchange Upgrade (Wal-Mart)	50,230	0	0	0
KCPL Buyout	0	0	10,000	0
Waverly-175th St. West ext. R-51	74,600	0	99,000	0
R-53 Brown Circuit/Kill Creek	274,066	0	0	0
Waverly Pointe	70,076	0	0	0
Other Projects	<u>13,407</u>	<u>0</u>	<u>0</u>	<u>0</u>
Distribution Total	601,325	505,000	189,000	0
Capital Improvement Total	626,646	535,000	282,000	70,000
Debt Service & Transfers				
Bond and Interest	2,049,669	2,904,200	2,904,200	2,903,000
General Fund Transfer	884,000	747,000	747,000	598,000
General Fund Services	<u>0</u>	<u>51,000</u>	<u>51,000</u>	<u>54,100</u>
	2,933,669	3,702,200	3,702,200	3,555,100
Total Expenditures	3,560,315	4,237,200	3,984,200	3,625,100

Electric Repair and Replacement Fund

The Electric Repair and Replacement Fund is established to account for major repair and maintenance of the electric system.

City of Gardner 2008 Annual Budget

Fund: Electric Repair and Replacement Fund--502
Department: Public Works--431

Fund Description:

The Electric Repair and Replacement Fund accounts for costs related to generator overhaul and other necessary equipment upgrades.

Program Highlights

NA

**City of Gardner
Repair/Replacement Fund**

	<u>2006 Actual</u>	<u>2007 Budget</u>	<u>2007 Estimate</u>	<u>2008 Projected</u>
Funds Available Jan 1	675,996	703,196	699,666	558,666
Revenue:				
Use of Money:				
Interest on Investments	<u>23,670</u>	<u>24,000</u>	<u>24,000</u>	<u>18,400</u>
Use of Money Total	23,670	24,000	24,000	18,400
Revenue Total	23,670	24,000	24,000	18,400
Expenditures:				
Capital Improvement:				
Start motor/clutch CT 1	0	200,000	100,000	0
Gen. vacuum breaker upgrade	0	30,000	30,000	0
Substation 2 - T-3 repair	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>0</u>
Capital Improvement Total	0	230,000	165,000	0
Expenditures Total	0	230,000	165,000	0
Surplus/(Shortfall)	23,670	(206,000)	(141,000)	18,400
Funds Available Dec 31	699,666	497,196	558,666	577,066

This page intentionally left blank